

County of Los Angeles CHIEF EXECUTIVE OFFICE

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September 13, 2013

Board of Supervisors GLORIA MOLINA First District

MARK RIDLEY-THOMAS Second District

ZEV YAROSLAVSKY Third District

DON KNABE Fourth District

MICHAEL D. ANTONOVICH

Fifth District

To:

Supervisor Mark Ridley-Thomas, Chairman

Supervisor Gloria Molina Supervisor Zev Yaroslavsky Supervisor Don Knabe

Supervisor Michael D. Antonovich

From:

William T Fujioka

Chief Executive Officer

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SACRAMENTO UPDATE

Executive Summary

This memorandum contains a report on actions taken by the Legislature before adjourning on September 12, 2013 on legislation of County-interest, including:

- Legislation to Increase the State Minimum Wage. An update on AB 10 (Alejo), which would increase the current State minimum wage over the next three years.
- Status of Legislation of County Interest. The status of 12 bills of County interest that were considered during the last week of the first year of the 2013-14 Legislative Session.

Legislation to Increase the State Minimum Wage

AB 10 (Alejo), which as amended on September 11, 2013, would increase the current State minimum wage of \$8.00 per hour to not less than \$9.00 per hour by July 1, 2014, and further increase the minimum wage to \$10.00 per hour by January 1, 2016. Prior to being amended, this measure would have increased the State's minimum wage to \$10.00 per hour over a five-year period. AB 10 passed the Senate by a vote of 26 to 11 and the Assembly by a vote of 50 to 25 on September 12, 2013. This measure now proceeds to the Governor who has indicated he will sign it.

As passed, AB 10 could have an impact on various County programs, including but not limited to, the In-Home Supportive Services Program, child care, and senior employment programs. This office is working with all County Departments that could be potentially impacted by this measure.

Status of Legislation of County Interest

AB 240 (Rendon), which as amended on August 13, 2013, would: 1) require mutual water companies to comply with open meeting, public records, audit, and budget requirements; 2) declare the intent of the Legislature to encourage collaboration among the three separate mutual water companies that serve the City of Maywood; 3) permit eligible persons to attend and speak at meetings of mutual water companies' boards of directors; 4) require the board of directors of a mutual water company to make specified documents available to eligible persons; and 5) allow the Water Replenishment District of Southern California to receive grant funding from the California Department of Public Health to fund water quality improvement projects to benefit the City of Maywood, passed the Assembly Floor by a vote of 52 to 24 on September 12, 2013. This measure now proceeds to the Governor.

AB 300 (Perea), which as amended on September 6, 2013, is an urgency measure which would: 1) enact the Prepaid Mobile Telephony Service Surcharge Collection Act; 2) on and after January 1, 2015, suspend the authority of a local jurisdiction to impose a utility user tax (UUT) on the consumption of prepaid communications service and would instead require that the applied UUT rate be consistent with a predetermined rate established through a specified tiered rate structure; and 3) suspend the authority of a local jurisdiction to impose a UUT that applies to prepaid mobile telephony service, access to communication services, and/or access to local 911 emergency telephone systems and would instead require the charge rate to be applied during that period under any ordinance to be at the specified rates, among other provisions. AB 300 passed the Assembly by a vote of 67 to 3 on September 12, 2013. This measure now proceeds to the Governor.

AB 641 (Rendon), which as amended on July 10, 2013, would authorize family child care providers and license-exempt child care providers the right to choose a representative to collectively negotiate the terms and conditions of employment with the State over the operation of the child care system, was placed on the Senate Inactive File on September 11, 2013 and is now a two-year bill.

AB 720 (Skinner), which as amended on September 6, 2013, would: 1) require the board of supervisors in each county to designate an entity to assist certain jail inmates to apply for a health insurance affordability program; 2) authorize the entity, to the

extent authorized by Federal law and Federal Financial Participation is available, to act on behalf of a county jail inmate for the purpose of applying for Medi-Cal eligibility for acute inpatient hospital services; and 3) provide that county jail inmates who are currently enrolled in the Medi-Cal program shall not be terminated due to their detention, unless required by Federal law, they become otherwise ineligible or the suspension of the their benefits has ended, passed the Assembly by a vote of 59 to 17 and the Senate by a vote of 36 to 0 on September 11, 2013. This measure now proceeds to the Governor.

AB 787 (Stone), which as amended on September 6, 2013, continues to be the vehicle for additional clean-up legislation to County-support-in-concept AB 12 (Chapter 559, Statutes of 2010), and related legislation, which extended Foster Care and Kinship Guardian Assistance Payment (Kin-GAP) Program benefits to eligible youth up to 21 years of age, as provided under the Federal Fostering Connections to Success and Increasing Adoptions Act of 2008. AB 787 would clarify that former non-minor dependents (NMD) who reached permanency, but whose guardian, relative or adoptive parent passed away prior to their 21st birthday, may re-enter extended foster care; clarify how the court may terminate jurisdiction over a NMD, but still retain the ability to monitor them as a non-minor dependent; and authorize probation officers to place NMDs in approved transitional placements; among other provisions.

Recent amendments remove case management requirements for state Kin-GAP and clarify current statute to ensure that minors participating in a voluntary placement agreement may become eligible for extended foster care pursuant to required actions of the child welfare agency and the juvenile court, among other technical and clarifying changes. The Department of Children and Family Services and County Counsel indicate there are no concerns with the September 6, 2013 amendments to AB 787, including no programmatic or fiscal concerns.

AB 787 passed the Assembly Floor by a vote of 78 to 0 on September 12, 2013. This measure now proceeds to the Governor.

AB 1235 (Gordon), which as amended on September 6, 2013, would require members of a local agency governing body, members of any local legislative body created by State or Federal statute, and any elected local agency officials to receive training in general financial management principles and laws relevant to his or her public service once per term of office, passed the Assembly by a vote of 55 to 21 vote on September 11, 2013. This measure now proceeds to the Governor.

SB 13 (DeSaulnier), which as amended on September 11, 2013, would make technical corrections to the Public Employees' Pension Reform Act of 2013, including correcting

and clarifying that legacy members in the Los Angeles County Employees' Retirement Association are allowed to move up from non-contributory Plan E to contributory Plan D, passed the Assembly by a vote of 77 to 0 and the Senate by a vote of 39 to 0 on September 12, 2013. This measure now proceeds to the Governor.

SB 39 (De León), which as amended on September 10, 2013, would provide that a local public officer who has been convicted of a felony for conduct arising out of his or her official duties shall forfeit any contract right or other common law, constitutional, or statutory claim against a local public agency employer to retirement or pension rights or benefits, including lost compensation. The forfeited claims under this measure would be in addition to any forfeiture of public retirement system rights and benefits pursuant to the California Public Employees' Pension Reform Act of 2013. This legislation would apply to any such claim filed prior to the bill's effective date and still pending on that date, and any claim commenced after that date.

In their preliminary analysis, County Counsel reports that this proposed legislation stems from recent attempts by a former City of Vernon administrator, who was convicted of misappropriation of public funds, to force the City to restore a \$545,000 annual pension he was receiving before it was reduced by the State retirement system to \$115,000. County Counsel notes that if SB 39 is enacted, that claim would be forfeited, and would likely result in a savings of potentially hundreds of thousands of dollars in legal costs to the City of Vernon, and in the future, other similarly situated local public agency employers.

In addition, County Counsel in collaboration with outside counsel assisting with analysis of the California Public Employees' Pension Reform Act (PEPRA) of 2013, reports that this legislation clarifies, at least for elected and appointed executive officers who are convicted of certain felonies, that it is the public retirement system that would be responsible for forfeiting such benefits and overseeing any process for challenging that forfeiture. However, County Counsel indicates that this statute, as narrowly written, only covers elected/appointed executive officers with regard to certain felonies and therefore, there is concern that it could be interpreted to suggest that other felons not covered by this statute could make a claim directly against the local agency employer. County Counsel notes that ideally this statute should be broadened to cover all employees potentially impacted by the PEPRA felony forfeiture provisions.

SB 39 passed the Assembly by a vote of 77 to 0 and the Senate by a vote of 38 to 0 on September 12, 2013. This measure now proceeds to the Governor. SB 39 is an urgency measure and would take effect immediately upon enactment.

SB 470 (Wright), which as amended on August 21, 2013, would: 1) provide that before any property that is returned to the city, county, or city and county, pursuant to the redevelopment dissolution legislation, is sold or leased for economic development purposes, the sale or lease shall first be approved by the legislative body by resolution after public hearing; 2) authorize a city or county to establish a program to loan funds to owners or tenants to rehabilitate commercial buildings and structures; and 3) reestablish the powers and protections of the Polanco Redevelopment Act for cities and counties to clean up contaminated land, was amended on September 6, 2013. The amendments removed the provisions which would have authorized a city, county, or city and county to utilize the Polanco Redevelopment Act with respect to properties that are within the boundaries of a former redevelopment agency. SB 470 passed the Senate by a vote of 37 to 0 on September 12, 2013. This measure now proceeds to the Governor.

SB 528 (Yee), which as amended on September 3, 2013, would: 1) authorize a social worker to provide a dependent child age 12 years or older with age-appropriate, medically accurate information about sexual development, reproductive health, prevention of unplanned pregnancies and other specified information; 2) encourage child welfare agencies to update case plans for pregnant and parenting dependents within 60 calendar days of the date the agency is informed of a pregnancy; and 3) specify that child welfare agencies may hold a specialized conference to assist pregnant or parenting foster youth and non-minor dependents with planning for healthy parenting; among other provisions. As amended, the provisions were removed relating to adding parenting minor and non-minor dependents to the list of families eligible for subsidized State and Federal child care and development services. SB 528 passed the Senate Floor by a vote of 32 to 5 on September 10, 2013. This measure now proceeds to the Governor.

SB 594 (Hill), which as amended on September 4, 2013, would redefine the types of public resources a non-profit organization is prohibited from using for campaign activities to include cash, property, equipment, travel, local government compensated work time, funds generated from conduit bond financing activities, among other assets but exempts funds received in exchange for consideration for goods or services, passed the Senate by vote of a 35 to 0 on September 12, 2013. This measure now proceeds to the Governor.

SJR 14 (Yee and Wright), which as introduced on July 10, 2013, would urge Congress and the President to enact amendments to the Voting Rights Act of 1965 that would restore Section 4 of the Act.

SJR 14 would urge Congress and the President to enact amendments to the Voting Rights Act that would restore Section 4 with a new coverage formula, and update the entire Act in order to address ongoing violations of voting rights in the states. If enacted, the resolution would be transmitted to: the President, Vice President, Speaker of the House of Representatives, Majority Leader of the Senate, and each Senator and Representative from California.

SJR 14 passed the Assembly by a vote of 59 to 2 on September 12, 2013. This measure now proceeds to the Governor.

We will continue to keep you advised.

WTF:RA MR:KA:IGEA:lm

c: All Department Heads
Legislative Strategist
Local 721
Coalition of County Unions
California Contract Cities Association
Independent Cities Association
League of California Cities
City Managers Associations
Buddy Program Participants